

THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION

ACTION REQUEST

Subject: Institute of Science and Technology (IST) High Bay Building
Addition

Action

Requested: Approval of Revised Budget, and Authorization to Issue the Project for Bids and
Award a Construction Contract

Background:

At the October 1999 meeting, the Board of Regents gave final approval for the construction of a 20,000 square foot addition to the IST High Bay Building on North Campus being designed by Jickling, Lyman and Powell Associates, Inc. Shortly thereafter, a combination of factors led to a reconsideration of the project. Soil conditions at the site were going to necessitate the utilization of expensive footings. The College of Engineering concluded that if a 10,000 square foot basement were built under the building, the structural needs would be addressed and important research space needs that would otherwise necessitate the construction of other new space could be addressed. The newly created basement space would house research functions for the Department of Materials Science and Engineering.

Therefore, to save money and address academic needs, the additional below grade space has been designed and the Regents are asked to approve the expanded scope of the project and budget, as well as release the project for bidding.

A revised budget for the new scope of work has been prepared. The revised project is estimated to cost \$9,700,000. The proposed detailed budget is as follows:

Construction Cost	\$7,382,000
Furnishings & Movable Equipment	599,000
Professional Fees (Including UM Fees, Testing, Surveys, etc.)	1,115,000
Contingency	<u>604,000</u>
TOTAL	\$9,700,000

This project will have minimal impact on parking since faculty and staff will be relocating from other College of Engineering buildings in this area. We propose to issue the project for bids during August 2000 and construction will take approximately 14 months to complete. Funding will be provided from College of Engineering funds, in addition to a gift of \$5 million from the Gerstacker Foundation. The construction cash flow may be provided, all or in part, by increasing the commercial paper issuance under the commercial paper program, secured by a pledge of General Revenues, and authorized by the Regents.

APPROVED BY THE REGENTS ON

JUN 16 2000

We recommend the Regents approve the revised budget for the IST High Bay Building Addition, and authorize issuing the project for bids and awarding a construction contract providing that bids are within the approved budget.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Rob Kasdin".

Robert Kasdin
Executive Vice President

June 2000